Vanishing Companies

1006. PROF. RAM DEO BHANDARY: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 3900 given in Rajya Sabha on 28th August, 2001 and state the progress made by Government in further taking action against the vanishing companies in which show cause notices have been issued by the SEBI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): The Securities and Exchange Board of India (SEBI) has intimated that further action taken by them against companies to whom show cause notices were issued, is as under:

Two companies and four promoters/directors have been debarred from activities connected with the capital market, raising funds from the capital market and dealing in securities, for a period of 5 years.

Stock Exchanges and Registrars of Companies (RoCs) have been advised to verify compliance with legal and statutory requirements by the companies which have resurfaced after issue of show cause notices. The verification is in progress.

The Department of Company Affairs has intimated that action is in progress against 75 companies which have resurfaced. 27 companies are under liquidation.

Government Expenditure

†1007. SHRIMATI SAVITA SHARDA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact Government are considering to exercise control over official expenditure;

(b) if so, whether Government have taken any steps so far in this direction; and

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† Original notice of the Question was received in Hindi.

(c) if so, the details thereof and if not, the manner in which Government propose to make cut in the official expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) It is Government's constant endeavour to contain non-plan, non-developmental expenditure. It is in this context that, along with other measures, instructions to avoid wasteful expenditure are issued from time to time to all the Ministries/Departments. These measures include ban on the creation of posts, reduction in the number of sanctioned posts, restrictions on the filling up of vacant posts, reduction in office expenses, restrictions on purchase of vehicles, restrictions on foreign travel and on entertainment/hospitality expenses etc.

Commission on Government Expenditure

†1008. SHRI BALKAVI BAIRAGI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have accepted the report of the Commission set-up to bring down expenditure of Government; and

(b) if so, the norms laid down by Government for bringing down expenditure of Government and by when these recommendations are proposed to be implemented alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Expenditure Reforms Commission has submitted in all ten reports covering 36 Ministries/Departments besides four specific issues - Food Subsidy, Fertilizer Subsidy, Autonomous Institutions and Optimizing Staff Strength. The recommendations contained in these reports have been forwarded to the concerned Ministries/Departments for implementation and are at various stages of implementation. The impact of these recommendations on overall expenditure would be known only after these are implemented.

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† Original notice of the Question was received in Hindi.